

(A) by striking "AFDC collections" each place it appears

and inserting "title IV-A collections". and

(B) by striking "non-AFDC collections" each place it

appears and inserting "non-title IV-A collections"; and

(4) in subsection (c), by striking "combined AFDC/non-

AFDC administrative costs" both places it appears and inserting

"combined title IV-A/non-title IV-A administrative costs".

(c) CALCULATION OF PATERNITY ESTABLISHMENT PERCENTAGE.—

(1) Section 452(g)(1)(A) (42 U.S.C. 652(g)(1)(A)) is amended

by striking "75" and inserting "90".

(2) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended—

(A) by redesignating subparagraphs (B) through (E)

as subparagraphs (C) through (F),

respectively, and by

inserting after subparagraph (A) the following new

subparagraph:

"(B) for a State with a paternity establishment percentage

of not less than 75 percent but less than 90 percent

fiscal year, the paternity establishment percentage of the State

for the immediately preceding fiscal year plus 2 percentage

points; and

(B) by adding at the end the following new flush sentence:

"In determining compliance under this section, a State may use

as its paternity establishment percentage either the State's

IV-D paternity establishment percentage (as defined in paragraph

(2)(A)) or the State's statewide paternity establishment percentage

(as defined in paragraph (2)(B)).

(3) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i)—

by striking "paternity

(1) establishment

percentage" and inserting "IV-D paternity

establishment percentage"; and

(2) by striking "(or all States, as

the case may be)"; and

(ii) by striking "and" at the end; and

(B) by redesignating subparagraph (B) as

subparagraph (C) and by inserting after

subparagraph (A); the

following new subparagraph:

"(B) the term statewide paternity establishment

percentage means, with respect to a State for a fiscal year, the ratio

(expressed as a percentage) that the total number of children— minor

"(i) who have been born out of wedlock, and

"(ii) the paternity of whom has been established or

acknowledged during the fiscal year.

bears to the total number of children born out of wedlock

during the preceding fiscal year: and".

(4) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(3) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(4) in subparagraph (A) (as so

redesignated), by striking "the percentage of children born out of wedlock in a State" and inserting "the percentage of children in a State who are born out of wedlock or for whom support has not been established".